

As previously explained, however, the Commission itself has acknowledged that the payphone marketplace is not yet competitive. Indeed, for all relevant purposes, the payphone marketplace is analogous to the local exchange marketplace. Accordingly, there is no basis for the Commission's determination that payphone pricing warrants the utilization of a ratemaking methodology diametrically different from the approach adopted in the local exchange context. If the TELRIC standard makes sense as a means to encourage local telephone competition (and it does), there is no reason to price payphone calls without regard to the long run incremental cost of providing the service.

The Commission's other reason for rejecting long run incremental cost pricing – that payphone providers will not be able to recover common costs – is equally flawed.^{59/} As the Commission itself acknowledges, “a cost-based interconnection standard . . . compensates a carrier for the long run incremental cost of providing interconnection or the long run incremental cost of providing an unbundled element *plus a reasonable share of the common costs*.”^{60/} In the local competition proceeding, the Commission adopted long run incremental cost pricing for some local exchange services and elements even though the same local exchange facilities are used to provide services not priced at TELRIC. Therefore, whether payphones are used for multiple services is irrelevant to whether TELRIC is appropriate for non-coin calls.

As the Commission recognized in the Local Competition Order, TELRIC pricing will, to the extent possible, best replicate the conditions of a competitive marketplace, reduce the ability of incumbents to engage in anti-competitive behavior, drive efficiency, and enable all consumers

^{59/} Id. at ¶ 96.

^{60/} Id. at ¶ 95 (emphasis added).

to reap the benefits of competition.^{61/} That same reasoning is relevant in the payphone context, and, if adopted, would result in an incremental cost-based rate of no more than \$0.06 per call.^{62/}

^{61/} See Local Competition Order at ¶ 679.

^{62/} Reply Comments of MCI at 2 (filed July 15, 1996). MCI submitted a study performed by Hatfield Associates which, based on available information, shows that a reasonable cost-based compensation rate would be between \$0.00 and \$0.12 per call. The Consumer-Business Coalition has selected a mean of \$0.06 per call based on these figures. A number of other commenters submitted data suggesting a similar per-call compensation rate based on incremental or marginal cost. See Reply Comments of CompTel (filed Sept. 9, 1997) at i, 8-9 (\$0.03 - \$0.05 per call); Comments of MCI (filed August 26, 1997) at 3 (less than \$0.083 when adjusted to include subscriber 800 calls); Comments of Sprint at 3, 23 (filed July 1, 1996) (\$0.0675 per call).

CONCLUSION

For the reasons stated above, the Commission should reconsider its decision to require carriers to pay a per-call compensation rate of \$0.284 for subscriber 800 and access code calls made from payphones, and should instead adopt an incremental cost-based rate for such calls. The Commission should retain this rate cap until it determines that callers to toll free numbers have a meaningful choice of payphone providers at the point of sale as well as the incentive to exercise that choice.

Respectfully submitted,

THE CONSUMER-BUSINESS
COALITION FOR FAIR PAYPHONE-
800 FEES



Howard J. Symons

Sara F. Seidman

Yaron Dori

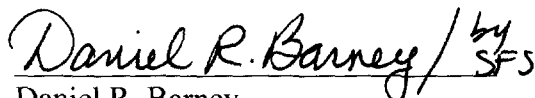
Mintz, Levin, Cohn, Ferris,

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James A. Kolstad
Vice President, Public and Government
Relations

NATIONAL NETWORK TO END
DOMESTIC VIOLENCE

/s/

Donna F. Edwards
Executive Director

TRUCKLOAD CARRIERS ASSOCIATION

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Lana R. Batts
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AMERICAN MOVERS CONFERENCE

/s/

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TRANSPORTATION INTERMEDIARIES
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INTERNATIONAL TAXICAB AND
LIVERY ASSOCIATION

/s/

Al LaGasse
Executive Vice President

AMERICAN AIRLINES, INC.

/s/

William K. Ris, Jr.
Vice President, Government Affairs

NABISCO, INC.

/s/

Orest R. Fiume
Senior Director, Network Services and
Workgroup Technologies

VIRTUAL VOICE CORPORATION

/s/

Monte A. Stern
President

INTERNATIONAL COMMUNICATIONS
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Its Attorney

Dated: December 1, 1997

DC Docs 119114

EXHIBIT A

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Implementation of the Pay Telephone)	
Reclassification and Compensation)	FCC Docket 96-128
Provisions of the Telecommunications)	
Act of 1996)	
)	

DECLARATION OF GREG F. ATKINSON

1. I am the Vice President of Sales for Jet Express, Inc. ("Jet"), whose address is 4518 Webster Street, Dayton, Ohio 45414. I have been employed by Jet for 8 years. Jet is a member of the Truckload Carriers Association.

2. In my capacity as Vice President of Sales, I have oversight responsibility for managing the movement of Jet vehicles in the conduct of its transportation business. I manage the dispatch of those vehicles to customer shipper and receiver locations, the monitoring of those vehicles while performing the transportation service, and all other communications between Jet and its drivers in the conduct of our business. I am therefore familiar with the types and level of telephone communications between Jet and its drivers in the conduct of our business. I am acting within the scope of my corporate authority in making this declaration. I have

read this declaration and have personal knowledge of the matters of fact stated and alleged in it.

3. Jet Express is a truckload carrier providing transportation services in the continental 48 states. Jet provides an on-call service to our customers, who call our dispatch offices requesting vehicles that may be used for shipments to any point in the United States.

4. To conduct its interstate transportation operations (and an occasional intrastate movement), Jet has a fleet of approximately 250 tractors and approximately 550 trailers. To operate that equipment, Jet employs approximately 280 drivers.

5. Each of Jet's 280 drivers must communicate with it via its 800 (toll-free telephone) line. The reasons for those calls are many. First each driver must call Jet regarding load dispatch information. Because of the need to coordinate vehicles with available loads, immediate dispatch is not often available, and several calls are often required before a load can be assigned. An average of 2 calls per driver per dispatched load is often required. Once a load is assigned, the driver then usually communicates with Jet at least twice regarding customer demands, delivery schedules, loading and unloading issues, etc. So in total, each dispatched load requires on average 4 calls from a driver to Jet.

6. Jet's average length of haul is roughly 350 miles. Its drivers, who work between 23 and 26 days per month, haul on average 20 loads a month. Therefore,

each of Jet's drivers makes about 80 calls per month to Jet regarding load assignment and delivery status.

7. Jet's drivers also contact it for a variety of other reasons, including safety contact calls (1 per month), calls related to vehicle maintenance or breakdown issues (3 per month), accidents (1 on average per month -- a driver that is involved in an accident makes many calls related to that accident, but few drivers are involved in even minor accidents during a given month), and administrative issues (3 per month) (paperwork questions/problems and payroll, expense inquiries, etc.). Therefore, each of Jet's drivers makes approximately eight 800-line calls each month to it for reasons unrelated to load assignment and delivery.

8. In total, each of Jet's drivers makes about 88 toll-free 800-line calls to Jet per month. Discussions with drivers reveal that about 80% of those calls are made from payphones. Therefore if Jet is charged 28.4 cents for every 800-line payphone call placed by its drivers, Jet will incur a per-driver, per-month cost of approximately \$20.00 ($88 \times .8 \times .284$). For all two hundred eighty of Jet's drivers, the total monthly cost of the surcharge will be approximately \$5,598 per month or over \$67,178 per year.

9. Jet's drivers have little choice as to payphones they can use. Few locations can accommodate Jet's 80,000-pound equipment besides truckstops and public rest areas. The cost of operating a large vehicle (especially fuel costs) makes it economically impossible for our drivers to search for alternative payphone

locations. Additionally, federal restrictions on driving time and vehicle access make it impossible for our drivers to seek payphone alternatives.

10. At truckstops and rest areas, public payphones are in virtual constant demand. Although each driver's use of the phone is relatively brief (2 minutes on average), there are usually lines waiting to use the phones.

11. At truckstops and rest areas, there is almost never a choice as to competing payphones. Based on the experience of Jet's drivers, each truckstop location provides exclusive access to a single payphone provider and the drivers have no choice but to deal with that provider. For that reason, Jet could not request that certain payphone providers be blocked from Jet's 800-line. The cost (even if it was possible) for Jet's drivers to make their call from another location would be prohibitive.

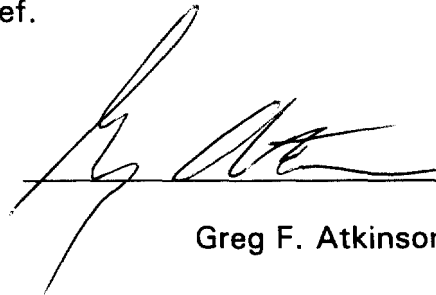
12. Currently, Jet is charged by its 800-line provider (MCI) approximately 7 cents per minute for its calls. So, for the average 2 minute call, Jet pays 14 cents. Adding the 28.4 cent charge almost triples the cost for the same call to 42.4 cents. Jet has been unable to negotiate a flat surcharge with MCI lower than the 28.4 cent rate, and does not believe it will have the leverage to negotiate a better rate with another 800 number provider. Jet also does not have any way to monitor calls made by its drivers to verify MCI's charges.

13. Jet's average monthly line charge has in the past been roughly \$7,000 with respect to its drivers' calls. That monthly charge will also almost triple to

about \$21,000 because of the surcharge. On a yearly basis the increase will be from \$84,000 to \$252,000, more than \$168,000 per year additional.

14. Jet's annual gross revenue is approximately \$21 million. Its operating ratio is roughly 95%, meaning that its net income is \$1.0 million. Therefore, Jet's additional payphone costs will be more than 16% of its annual net income.

I affirm under the penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.



Greg F. Atkinson

antevill\legal\jet

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Implementation of the Pay Telephone)	
Reclassification and Compensation)	CC Docket 96-128
Provisions of the Telecommunications)	
Act of 1996)	
)	

DECLARATION OF EUGENE R. DUPRE'

1. I am the Controller for Dupre' Transport, Inc. ("Dupre'"), whose address is 201 Energy Parkway, Suite 500, Lafayette, Louisiana 70508. I have been employed by Dupre' for 12 years and have worked in my present position for 12 years. Dupre' is a member of American Trucking Associations, Inc.
2. In my capacity as Controller, I have oversight responsibility for managing the communications network used in the movement of Dupre's vehicles in the conduct of its transportation business. I oversee the communications network used by dispatchers and drivers for the dispatch of those vehicles to customer, shipper, and receiver locations; the monitoring of those vehicles while performing the transportation service, and all other communications with the vehicle drivers during the transportation operation. I am therefore familiar with the types and level of telephone communications between Dupre' and its drivers in the conduct of our business. I am acting within the scope of my corporate authority in making this declaration. I have read this declaration and have personal knowledge of the matters of fact stated and alleged in it.

3. Dupre' is a truckload carrier providing transportation services in the continental 48 states. Dupre' provides an on-call service to our customers, who call our dispatch offices requesting vehicles which may be used for shipments to any point in the United States.
4. To conduct its interstate and intrastate transportation operations, Dupre' has a fleet of approximately 325 tractors and approximately 700 trailers. To operate that equipment, Dupre' utilizes the services of 76 owner-operators and employs approximately 400 drivers.
5. Each of Dupre's 476 drivers must communicate with Dupre' via its 800 line. The reasons for those calls are many. First each driver must call Dupre' regarding load dispatch information. Because of the need to coordinate vehicles with available loads, immediate dispatch is not often available, necessitating multiple calls before a load can be assigned, an average of 2 calls per driver per load. Once a load is assigned, the driver then usually communicates with Dupre' at least twice regarding customer demands, delivery schedules, loading and unloading issues, etc. So in total, each load requires on average 4 calls from a driver to Dupre'.
6. Dupre's average length of haul is roughly 350 miles. Its drivers, who work between 20 and 26 days per month, haul on average 33 loads a month. Therefore, each of Dupre's drivers makes about 132 phone calls per month to Dupre' regarding load assignment and delivery status.
7. Dupre's drivers also contact it for a variety of other reasons, including safety contact calls (5 per month), calls related to vehicle maintenance or breakdown issues (5 per month), calls related to federal safety regulations (for example, hours of service updates and questions (20 per month)),

accidents (2 on average per month -- a driver that is involved in an accident makes many calls related to that accident, but few drivers are involved in even minor accidents during a given month), and administrative issues (5 per month) (paperwork questions/problems and payroll, expense inquiries, etc.). Therefore, in total each of Dupre's drivers make approximately 37 800 line calls to it for reasons unrelated to load assignment and delivery.

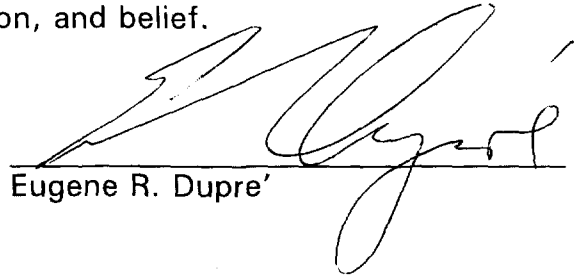
8. In total, each of Dupre's drivers makes about 169 800 line calls to Dupre' per month. Discussions with drivers reveal that about 50% of those calls are made from payphones. Therefore if Dupre's is charged 30 cents (per MCI) for every 800 payphone call placed by its drivers, Dupre' will incur a per-driver, per-monthly cost of approximately \$25 ($169 \times .5 \times .30$). For all 476 of Dupre's drivers, the total monthly cost will be approximately \$ 12,000 per-month or over \$140,000 per-year.
9. Dupre's drivers have little choice as to payphones they can use. Few locations can accommodate Dupre's 80,000 pound equipment, mostly truckstops and public rest areas. The cost of operating a large vehicle (especially fuel costs) make it economically impossible for our drivers to search for alternative payphone locations. Additionally, federal restrictions on driving time and vehicle access make it impossible for our drivers to seek payphone alternatives.
10. At truckstops and rest areas, public payphones are in virtual constant demand. Although each driver's use of the phone is relatively brief (5 minutes on

average), there are usually lines waiting to use the phones. Conversations with drivers indicates that the payphones at truckstops are used at least 100 times per day to initiate 800 number calls. At that rate, an average truckstop payphone would generate around 3,000 calls per month, producing over \$850 in monthly revenue for the payphone provider.

11. At truckstops and rest areas, there is almost never a choice as to competing payphones. Based on the experience of Dupre's drivers, each truckstop location provides exclusive access to a single payphone provider and the drivers have no choice but to deal with that provider. For that reason, Dupre' could not request that certain payphone providers be blocked from Dupre's line. The cost (even if it was possible) of Dupre's drivers to make their call from another location would be prohibitive.
12. Currently, Dupre' is charged by its 800 line provider (MCI) approximately 8 cents per minute for its calls. So, for the average 2 minute call, Dupre' pays 16 cents. Adding the 30 cent charge, increases the cost for the same call to 46 cents. Dupre' has been unable to negotiate a flat charge with MCI lower than the 30 cent rate, and does not believe it will have the leverage to negotiate a better rate with another 800 number provider.
13. Dupre's average line monthly charge has been in the past roughly \$13,000 with respect to its drivers' calls. That monthly charge will almost double to about \$25,000. On a yearly basis the increase will be from \$156,000 to \$296,000 or over \$140,000 more.

14. Dupre's annual gross income is approximately \$60 million. Its operating ratio is roughly 98%, meaning that its net income is \$1.2 million. Therefore, Dupre's additional payphone costs will be over 11% of its annual net income.

I affirm under the penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.



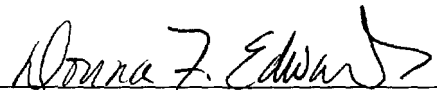
Eugene R. Dupre'

DECLARATION OF DONNA F. EDWARDS

Donna F. Edwards declares and says:

1. I am Executive Director of the National Network to End Domestic Violence ("NNEDV"), whose address is at 701 Pennsylvania Avenue, N.W., Suite 900, Washington, D.C. 20004.
2. NNEDV is a network of state domestic violence coalitions representing more than 2000 shelters and programs throughout the country.
3. NNEDV member coalition, the Texas Council on Family Violence, operates a national domestic violence hotline, which uses an 800 number, and more than 25 other state domestic violence coalitions operate in-state hotlines, also using 800 numbers.
4. The National Domestic Violence Hotline receives more than 8000 calls per month. I do not know how many of those calls originate at payphones, but in my experience as Executive Director of NNEDV, I am aware that battered women often are forced to leave their homes to seek safety and emergency assistance. It is likely that many such women place calls to the hotline from payphones.
5. The National Domestic Violence Hotline was established to encourage battered women to call and to do so with the expectation of confidentiality. Indeed, because of the need for confidentiality, many women would choose to call the hotline from a payphone instead of from their homes or offices.
6. The National Domestic Violence Hotline and many in-state hotlines are supported with state and federal funds. Funding for the National Domestic Violence Hotline has remained at the same level for the past two years. Under current budgeting constraints, significant increases in costs may jeopardize this much-needed service.
7. Blocking calls from some or all payphones is not an option. The National Domestic Violence Hotline was established to ensure that those women who may be in the greatest danger have someplace to turn. We cannot be in the position of essentially turning those women away by refusing to accept calls.

I declare that the foregoing is true and correct to the best of my knowledge, information, and belief.


Donna F. Edwards



C.R. ENGLAND, INC.

SERVICE
SAFETY
PERFORMANCE

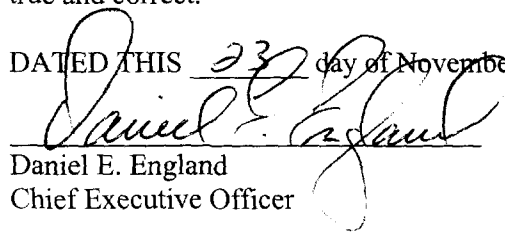
DECLARATION OF DANIEL E. ENGLAND

Daniel E. England declares and says:

1. I am the Chief Executive Officer of C. R. England, Inc. (England), whose address is 4701 West 2100 South, Salt Lake City, UT 84120. I have been employed by England for twenty years and have worked in my present position for approximately ten years.
2. In my capacity as Chief Executive Officer, I oversee all operations of the company, including telecommunications.
3. England is a truckload carrier providing transportation throughout the 48 contiguous United States, as well as Canada and Mexico. We operate approximately 2400 tractors and 3700 trailers. At present we employ over 3700 people, most of whom are truck drivers.
4. In the normal course of our business, we receive literally thousands of calls each day on our 1-800 watts lines. Most of these calls come from our drivers. They call to receive load assignments, inquire about payroll information, report maintenance problems, etc., etc., etc. The vast majority of these calls are made from public pay phones. During the month of October, 1997, we estimate that we received nearly 134,000 1-800 calls from pay phones. This amounts to a monthly charge of over \$38,000. Annualized this amounts to approximately \$455,000.
5. We will end 1997 with revenues of approximately \$306 million dollars. Our net income will be approximately 2.5% of revenues, or \$7,650,000. Had we been charged 28.4 cents for each of these pay phone calls, our net income would have been reduced by over 6%. This is a cost we cannot afford to bear. We believe that the FCC ruling creates an inordinate burden for trucking companies, which rely so heavily on the usage of pay phones to make 1-800 calls. We believe that the pay phone providers are receiving a tremendous windfall at the expense of trucking companies that are already operating with very narrow margins.

We would respectfully request that the decision of the FCC be reconsidered and that this burden be lifted from the transportation industry. Further, I certify that the above statement is true and correct.

DATED THIS 23 day of November 1997.


Daniel E. England
Chief Executive Officer

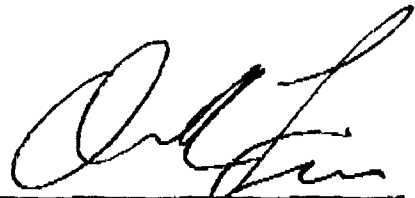
Declaration of Orest R. Fiume

1. I am the Senior Director of Network Services and Workgroup Technologies for Nabisco, Inc., whose address is 7 Campus Drive, Parsippany New Jersey, 07054. In this capacity, I have responsibility for all telecommunications services at Nabisco.
2. As the Senior Director, I have oversight responsibility for all telecommunications services and related product acquisitions at Nabisco. As the provider of these services to Nabisco's business units, I am familiar with the nature of telephone communications with Nabisco business partners and internally amongst Nabisco employees. I am acting within the scope of my responsibilities in making this declaration.
3. Nabisco, Inc. is a consumer packaged goods company, Marketing its' products in all US states and several international locations. A significant portion of Nabisco's business involves direct store delivery (DSD), where thousands of Nabisco sales personnel sell and distribute product directly to grocery stores across the United States. These sales personnel conduct their daily functions as "mobile workers", using 800 numbers for order entry, customer service and to obtain route information.
4. Several times each day, Sales management posts updated customer information on voice mail. Frequently, throughout the day, the field Sales people call voice mail (via an 800 number) for their latest route and customer service information. This translates to about 44,000 calls per day, with approximately 30,000 of these calls per day originating from payphones. The average length of these calls is 3 minutes, and the current average cost per call is \$.20. This is Nabisco's single largest application for 800 Service. The total annual cost for these 800 calls is approximately \$2,200,000. The \$.284 payphone surcharge will add \$2,130,000 to these costs, an instant and unacceptable 96% increase! Communications alternatives, such as cellular phones and/or two-way pagers are both cost prohibitive and unreliable.
5. A sales person's route changes virtually every day, and includes daily visits to various customer locations. Given the unpredictable and mobile nature of the Sales person's job, they have little choice but to use payphones. This mode of operation, i.e. calling voice mail from payphones, is an integral and routine aspect of the field sales job and has been so for many years. There are no known alternatives to the existing Sales communications process.

6. Nabisco has worked diligently to improve sales force productivity and drive costs out of the process. Over the years, several remote sales offices were closed and today most sales people work from "virtual offices." The use of 800 numbers and voice mail, as the communications tools for this mobile sales force, is an essential enabling element of these strategies. The imposition of an instant \$2,130,000 increase will substantially mitigate these productivity gains.
7. Nabisco believes the imposition of the payphone surcharge is both unfair and inappropriate. In addition to the small, independent payphone providers, the Bell Operating Companies stand to benefit greatly from this sudden and huge "windfall". Unless the BOC's return these new revenues to business users (an unlikely circumstance in my opinion), this surcharge translates to a significant and largely unsupported rate increase for Nabisco and other business users.

I affirm under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated this 1st day of December 1997.



Orest R. Fiume

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Implementation of the Pay Telephone)	
Reclassification and Compensation)	CC Docket 96-128
Provisions of the Telecommunications)	
Act of 1996)	
)	

DECLARATION OF PAMELA K. GUY

1. I am the Telecommunications Director for J. B. Hunt Transport Services, Inc., whose address is 615 J. B. Hunt Corporate Drive, Lowell, AR 72745. I have been employed by J. B. Hunt for eleven years and have worked in my present position for eleven years. J. B. Hunt is a member of American Trucking Associations, Inc.
2. In my capacity as Telecommunications Director, I have oversight responsibility for managing J. B. Hunt's telecommunications services, including all communications with vehicle drivers during the transportation operation. I am therefore familiar with the types and level of telephone communications between J. B. Hunt and its drivers in the conduct of our business. I am acting within the scope of my corporate authority in making this declaration. I have read this declaration and have personal knowledge of the matters of fact stated and alleged in it.
3. J. B. Hunt Transport is a truckload carrier providing transportation services in the continental 48 states. J. B. Hunt provides an on-call service to our

customers, who call our offices requesting vehicles which may be used for shipments to any point in the United States.

4. To conduct its transportation operations, J. B. Hunt has a fleet of approximately 7,432 tractors and a trailing equipment fleet of approximately 28,850. To operate that equipment, J. B. Hunt employs approximately 8,329 drivers.
5. Each of J. B. Hunt's 8,329 drivers must communicate with various departments of J. B. Hunt via its 800 numbers. The reasons for those calls are many. First each driver must call their Fleet Manager regarding load dispatch information. Because of the need to coordinate vehicles with available loads, immediate dispatch is often not available, necessitating multiple calls before a load can be assigned, creating an average of two calls per driver per load. Once a load is assigned, the driver then usually communicates with the Fleet Manager at least one time regarding customer demands, delivery schedules, loading and unloading issues, etc. So, in total, each load requires on average three calls from a driver to the Fleet Manager.
6. J. B. Hunt's average length of haul is roughly 620 miles. Its drivers, who work between 24 and 26 days per month, haul on average 21 loads per month. Therefore, each of J. B. Hunt's drivers makes about 63 phone calls per month to the Fleet Manager regarding load assignment and delivery status.
7. J. B. Hunt's drivers also contact it for a variety of other reasons including safety, vehicle maintenance or breakdown issues, federal safety regulations, accidents, benefits, fuel, payroll and other administrative issues. Therefore,

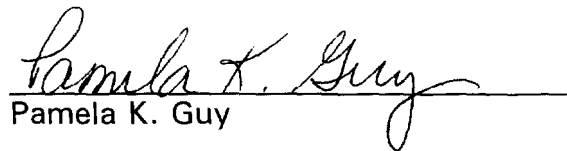
in total each of J. B. Hunt's drivers make approximately 42 calls to it for reasons unrelated to load assignment and delivery.

8. In total, each of J. B. Hunt's 8,329 drivers makes about 105 calls to J. B. Hunt 800 numbers per month. Discussions with drivers reveal that about 80% of those calls are made from payphones. Our 800 provider (MCI Communications) will be charging J. B. Hunt 30 cents for every 800 payphone call placed by its drivers, therefore, J. B. Hunt will incur a per-driver cost of approximately \$25.20 per month. For all 8,329 of J. B. Hunt's drivers, the total monthly cost will be approximately \$209,890.80 or over \$2,500,000.00 per year.
9. J. B. Hunt's drivers have little choice as to payphones they can use. Few locations can accommodate J. B. Hunt's 80,000 pound equipment, mostly truckstops and public rest areas. The cost of operating a large vehicle (especially fuel costs) make it economically impossible for our drivers to search for alternative payphone locations. Additionally, federal restrictions on driving time, vehicle access and a commitment to provide on-time delivery to our customers make it impossible for our drivers to seek payphone alternatives.
10. At truckstops and rest areas, public payphones are in virtual constant demand. Although each driver's use of the phone is relatively brief, there are usually lines waiting to use the phones. I would estimate the payphones at truckstops are utilized for at least five 800 calls per hour, each hour of the day. At that rate, an average truckstop payphone would generate around 120 calls per day, producing over \$1,000 in monthly revenue for the payphone provider. I feel this is a very conservative estimate.

11. At truckstops and rest areas, there is almost never a choice as to competing payphones. The payphones providers generally contract for exclusive payphone rights at each location. Based on the experience of J. B. Hunt's drivers, each truckstop location provides exclusive access to a single payphone provider. For that reason, J. B. Hunt could not request that certain payphone providers be blocked from J. B. Hunt's lines. The cost for J. B. Hunt's drivers to make their calls from another location would be prohibitive.
12. Currently, J. B. Hunt is charged by its 800 line provider (MCI Communications) approximately eight cents per minute for its calls. So, for the average three minute call, J. B. Hunt pays 24 cents. Adding the 30 cent charge, the cost for the same call is 54 cents. J. B. Hunt has been unable to negotiate a better rate with another 800 number provider.
13. J. B. Hunt's average monthly charge for driver 800 calls has been in the past roughly \$190,000. That monthly charge will more than double to about 390,500. On a yearly basis the increase will be from \$2,280,000 to \$4,680,000, over \$2,400,000 more.
14. J. B. Hunt's annual gross revenue is approximately \$1.5 billion. Its operating ratio is roughly 97.0%, meaning that its ^{operating income PK8} ~~pretax net earnings~~ from operations are approximately \$45 million. Therefore, J. B. Hunt's additional payphone costs will be over 5.3% of its ^{operating income PK8} ~~pretax net earnings~~ from operations.

15. J. B. Hunt believes that such an increase is unfair to businesses such as it. The payphone providers that J. B. Hunt must deal with will receive an enormous windfall at J. B. Hunt's expense. A windfall that J. B. Hunt lacks the market power to affect.

I affirm under the penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.


Pamela K. Guy